Open Meeting Agenda Item

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Before the Arizona Corporation Commission

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2019 FEB -4 P 12: 32

Arizona Corporation Commission
DOCKETED

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IN THE MATTER OF RESOURCE PLANNING AND PROCUREMENT 2015 AND 2016

Docket No. E-00000V-15-0094

Sierra Club Comments in Support of the Extension of the Gas Moratorium

I. INTRODUCTION

Sierra Club supports the extension of the moratorium on the procurement of gas generation issued by the Arizona Corporation Commission ("Commission") on March 29, 2018.[1] The moratorium remains critical to preventing the build-out of costly gas-burning infrastructure that is rapidly becoming obsolete as result of advances in, and the rapidly falling costs of, clean energy technologies and to protecting ratepayers from imprudent resource decisions.

Specifically, Sierra Club recommends that the Commission:

1) extend the gas moratorium until at least April 1, 2020, after the utilities submit their final 2019-2020 integrated resource plans ("IRPs"); and

2) clarify that the gas moratorium prohibits the procurement of any gas-burning resources, including gas resources obtained through power purchase agreements.

These measures are essential to the protection of the public interest and to positioning Arizona as a leader in the clean energy economy. The problems that prompted the Commission to issue the gas moratorium in March 2018 persist: the utilities' resource plans remain seriously flawed, and the Commission has yet to develop a policy to guide their resource decisions.

[1] Arizona Corp. Comm'n Decision No. 76632 at 51–52, Dkt. No. E-00000V-15-0094, Mar. 29, 2018 [hereinafter "IRP and Gas Moratorium Order"].

II. THE PROBLEMS THAT JUSTIFIED THE GAS MORATORIUM IN MARCH 2018 HAVE NOT BEEN RESOLVED AND CONTINUE TO PUT RATEPAYERS AT SIGNIFICANT RISK.

The circumstances that led the Commission to impose the moratorium on the procurement of gas generation, which recently expired on January 1, 2019, have not changed. In imposing the moratorium, the commissioners cited two key concerns: First, the utilities' 2015-2016 IRPs appeared to undervalue alternative energy technologies, including renewable energy and battery storage, and were based on misleading and overly aggressive projections of load growth.[2] Second, Arizona lacked a comprehensive and sustainable energy plan that would guide resource decisions and protect ratepayers from costly gas infrastructure that soon might be abandoned in favor of more efficient and economic technologies.[3]

Given these problems, the Commission declined to acknowledge the 2015-2016 resource plans submitted by Arizona Public Service Company ("APS"), Tucson Electric Power Company ("TEP"), and UNS Electric, Inc. ("UNS").[4] According to Commissioner Burns, it was time to send the utilities "a strong message": the Commission would no longer tolerate resource plans that put ratepayers at risk by justifying resource decisions based on unrealistic projections of load growth.[5] Before moving ahead, Arizona needed a different way of planning that facilitated the development of a more diverse array of energy resources.[6]

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[2] IRP and Gas Moratorium Order at 47 ("As noted by Staff and the Sierra Club, APS's forecasted load growth appears too aggressive. This overstatement of growth as well as the apparent lack of compliance with Decision No. 75068 support the decision to decline to acknowledge APS's IRP."); *see id.* at 50–51 (utilities must evaluate a storage alternative in future IRPs, as well as a portfolio with a comprehensive suite of clean energy technologies); Arizona Corp. Comm'n, Open Meeting at 5:11–5:13 (Comm'r Tobin), Agenda Item 22 (Dkt. No. E-00000V-15-0094), Mar. 13, 2018, http://azcc.granicus.com/MediaPlayer.php?view_id=3&clip_id=2982 [hereinafter "March 13, 2018 Open Meeting"] (gas moratorium designed to slow build out of gas resources in light of technological advances that may render gas infrastructure obsolete, resulting in abandoned assets and harm to ratepayers); *id.* at 4:30–4:32 (Comm'r Burns) (given "all of the [generation] technologies" available, planning needs "to be more inclusive"); *id.* (Comm'r Burns) (APS's load growth forecasts were "too aggressive"; such a foundation precluded acknowledgement of the IRPs).

[3] March 13, 2018 Open Meeting at 4:31–4:32 (Comm'r Burns) (Arizona is "behind the curve" on modernization; the Commission needs a "different way of planning"); *id.* at 4:46–4:37 (Comm'r Tobin) ("[I]t is this Commission's obligation to set the energy policy and the energy modernization plan, and then allow the utilities to come back with their plans to fit it.").

[4] IRP and Gas Moratorium Order at 47–48, 53 ("[W]e find that it is in the public interest to decline acknowledgment of any of the IRPs as filed.").

[5] March 13, 2018 Open Meeting at 4:44–4:45 (Comm'r Burns) ("The consequence of not acknowledging the plan would [be to] send a strong message to the utilities to be more accurate in their load forecasting and give us a better plan.").

[6] *Id.* at 4:30–4:32 (Comm'r Burns); *id.* at 4:46–4:37 (Comm'r Tobin).

Such change required time. To ensure that the utilities would not lock in Arizona to an unsustainable energy future, the Commission temporarily prohibited, from March 29, 2018 to January 1, 2019, the procurement of gas generation of 150 megawatts (MW) or more, absent Commission approval:

> IT IS FURTHER ORDERED that a Load Serving Entity may not procure by purchase acquisition or construction, a generating facility of natural gas energy of 150 MW of capacity or more unless all of the following conditions are met: (a) all ordering paragraphs, conditions, and additional compliance items required by this Decision have been fully satisfied, as determined by a future order of the Commission; (b) the Load Serving Entity has conducted an independent analysis comparing the present and future costs between the specific natural gas procurement and alternative energy storage options and Staff reviewed that analysis; and (c) the Load Serving Entity filed a petition under R14-2-704(E) that seeks approval for the specific procurement, and the Commission approved the petition. This ordering paragraph and the requirements it establishes shall expire automatically on January 1, 2019.[7]

In imposing the moratorium, the commissioners recognized that an extension might be necessary and stated that the Commission "could always come back and alter the date."[8] Since the Commission issued the gas moratorium on March 29, 2018, the above problems have persisted.

On June 29, 2018, as directed by the Commission,[9] APS submitted a report that purported to justify the utility's aggressive load growth projections.[10] But, that report did not address the concerns raised by Sierra Club, Commission staff, and the Commission itself, and the report downplayed the extent to which a more reasonable load forecast would affect APS's near-term procurement actions.[11] Among other things, APS continued to assert that population growth was the "largest single determinant of energy demand growth" over periods of five years or more.[12] That assertion, however, contradicted data from the past decade that demonstrated that per-customer electricity use had decreased significantly, and that this decrease in consumption more than offset recent population increases in APS's service territory—a trend also observed more

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[7] IRP and Gas Moratorium Order at 51–52.
[8] March 13, 2018 Open Meeting at 4:31–4:32 (Comm'r Burns) (proposing an end date in 2021 to align with conclusion of 2019-2020 IRP process); *id.* (Comm'r Tobin) (responding that Commission "could always come back and alter the date").
[9] *Id.* at 51.
[10] Arizona Pub. Serv. Co., Compliance Filing, APS's 2018 Load Forecast Report, Dkt. No. E-00000V-15-0094, Jun. 29, 2018 [hereinafter "APS 2018 Load Forecast Report"].
[11] Sierra Club Comments on Arizona Public Service's 2018 Load Forecast Report at 1, Dkt. No. E-00000V-15-0094, Aug. 10, 2018 [hereinafter "Sierra Club Comments APS 2018 Load Forecast Report"].
[12] APS 2018 Load Forecast Report at 1.

broadly by the U.S. Energy Information Administration ("EIA").[13] In fact, according to the EIA, Arizona's per-capita energy consumption is "among the lowest in the nation."[14] Rather than account for recent developments in which electricity demand has become increasingly de-coupled from growth, APS appeared to assume that 20th century relationships between economic, population, and load growth still hold.

APS's persistent refusal to develop a reasonable load growth projection risks leaving ratepayers paying for unnecessary and costly infrastructure. As Sierra Club explained, "[i]f APS were to move forward with three-year-ahead procurement to meet its IRP load forecast, it would likely end up wasting money on unnecessary resources."[15] Given APS's long history of basing its IRPs on unreasonably high load forecasts, clear guidance from the Commission is essential to protect ratepayers from APS's over-procurement bias.

The utilities also have yet to develop resource plans that analyze a reasonable range of alternative energy resources, among the problems that led to the issuance of the gas moratorium.[16] The utilities' resource plans continue to be systematically biased against demand-side management, inflate the cost of renewable energy resources, and undervalue energy efficiency and battery storage.[17] As Diné CARE, Tó Nizhóní Aní, and Black Mesa Water Coalition explained, APS's IRP "dramatically exaggerated the need to build new natural gas

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[13] Sierra Club Comments APS 2018 Load Forecast Report at 2 (citing U.S. Energy Info. Admin., *Per Capita Residential Electricity Sales in the U.S. Have Fallen Since 2010* (Jul. 26, 2017), https://www.eia.gov/todayinenergy/detail.php?id=32212); *see also* IRP and Gas Moratorium Order at 43 ("APS' forecasted load growth and customer growth appears to be too aggressive given the information contained in the 2017 IRP and prior IRPs.").

[14] U.S. Energy Info. Admin., *Arizona: State Profile and Energy Estimates* (Jan. 17, 2019), https://www.eia.gov/state/analysis.php?sid=AZ [hereinafter "EIA Arizona Energy Profile"].

[15] Sierra Club Comments APS 2018 Load Forecast Report at 6.

[16] March 13, 2018 Open Meeting at 5:11–5:14 (Comm'r Tobin) ("heavy pause" in construction of gas infrastructure was necessary to ensure Commission was able to give meaningful guidance to utilities in light of technological advances, risk to ratepayers of stranded assets); *id.* at 5:13 (Comm'r Burns) (proposing that gas moratorium be in place through 2021 after conclusion of 2019-2020 IRP process).

[17] Sierra Club Comments on Arizona Public Service's 2017 Integrated Resource Plan at 2–3, Dkt. No. E-00000V-15-0094, Sep. 25, 2017 [hereinafter "Sierra Club APS IRP Comments"] (criticizing APS IRP for unrealistically high load forecast, systematic bias against demand-side management alternatives, inadequate justification for portfolio selection, inflated renewable cost assumptions, and under-valuation of battery storage); Sierra Club Comments on Tucson Electric Power's 2017 Integrated Resource Plan at 4–5, 8–12, Dkt. No. E-00000V-15-0094, Sep. 25, 2017 [hereinafter "Sierra Club TEP IRP Comments"] (explaining that TEP's portfolios were neither robust nor reasonable and discounted value of renewable energy, energy efficiency, and battery storage); *see also* Additional Comments of Interwest Energy Alliance at 1–2, Dkt. No. E-00000V-15-0094, Sep. 8, 2017 ("Each of these infirmities alone is sufficient to bias APS's modelling outcomes in favor of the addition of natural gas resources and against the acquisition of additional solar, storage, and wind resources in its portfolio. Taken together, these deficiencies make the outcome inevitable.").

plants while undervaluing solar, wind and energy efficiency."[18] Moreover, APS and TEP did not demonstrate that their resource plans were reasonable, least-cost options, and improperly favored the interests of shareholders over those of ratepayers.[19]

The upcoming IRP process, for which the preliminary resource and procurement plans are due by April 1, 2019, is poised to begin resolving some of the flaws that rendered the 2015-2016 resource plans not credible. In Decision No. 76632, the Commission ordered the utilities to provide a far more robust and transparent analysis in their 2019-2020 IRPs by, among other things, discussing in detail at a public workshop the utilities' models and assumptions, evaluating how the costs of established and emerging technologies are expected to change, breaking down the contribution and costs of each resource included in a portfolio, providing a "very robust" sensitivity analysis of gas price scenarios, analyzing a reasonable range of storage technologies and costs, and evaluating at least one resource portfolio in which fossil fuel additions are capped at 20 percent and at least one comprehensive clean energy portfolio.[20]

Meanwhile, the Commission's energy modernization plan remains in its early stages. Thus far, the Commission has laid the groundwork for advancing clean energy, but it has not fully addressed the need to increase the renewable energy standard nor has it fully addressed the issue of continued energy efficiency savings post 2020. The utilities' rush to gas threatens to jeopardize the Commission's energy plan by locking in gas resources before the Commission develops a framework to guide resource decisions.

Given such concerns, the Commission should bar the procurement of gas resources until (1) the utilities have developed reasonable resource plans that have been subjected to Commission and stakeholder scrutiny, and (2) the Commission has developed clear guidelines in the ongoing energy modernization docket. Based on the current schedule and pace of these dockets, Sierra Club recommends that the Commission extend the gas moratorium until at least April 1, 2020, after the utilities submit their final 2019-2020 IRPs.

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[18] Diné CARE, Tó Nizhóní Aní, and Black Mesa Water Coalition, Re: APS Resource Planning and Procurement at 2, Dkt. No. E-00000V-15-0094, Feb. 2, 2018.
[19] Sierra Club Reply to Staff's Comments and Proposed Order at 2–4, Dkt. No. E-00000V-15-0094, Dec. 1, 2017 [hereinafter "Sierra Club IRP Reply Comments"].
[20] IRP and Gas Moratorium Order at 48–51.

III. THE COMMISSION SHOULD CLARIFY THAT THE GAS MORATORIUM PROHIBITS THE PROCUREMENT OF ANY GAS-BURNING RESOURCES, INCLUDING THOSE OBTAINED THROUGH POWER PURCHASE AGREEMENTS.

On April 26, 2018, less than one month after the Commission imposed the gas moratorium, APS issued a Peaking Capacity Request for Proposals ("RFP") seeking 400 to 800 MW of peaking capacity, but the RFP severely restricted the types and amounts of qualifying resources.[21] Contrary to the spirit and purpose of the gas moratorium, the RFP "functionally direct[ed] the purchase of energy from gas resources without any deeper analysis or review of alternatives."[22] Specifically, the RFP **allowed (1) a maximum of 100 MW of energy storage or a combined renewable energy + energy storage resource; (2) a maximum of 100 MW of non-supply side resources (i.e., energy efficiency, demand response); and (3) a maximum of 25 MW from demand respond aggregated from business customers.[23] Although APS publicly contended that the RFP did not violate the moratorium because the RFP sought a "power purchase agreement" rather than an outright purchase of a new generation project,[24] the Commission should reject such tactics.[25]**

As explained, through the gas moratorium, the Commission sought to protect ratepayers and Arizona's energy future from the utilities' rush to build new gas resources despite the rapid advances in more economic and efficient alternatives.[26] APS's resource plan systematically favors gas—APS's assumptions "exaggerate the need for new resources, under-state likely future natural gas prices, and under-value alternatives such as renewable

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[21] Arizona Pub. Serv. Co., 2018 Peaking Capacity Request for Proposals (Apr. 26, 2018) [hereinafter "APS 2018 Peaking Capacity RFP"].

[22] Sierra Club, Re: Problems in the APS 2018 Peaking Capacity Request for Proposal at 6, Dkt. No. E-00000V-15-0094, Jun. 5, 2018 [hereinafter "Sierra Club APS RFP Comments"].

[23] APS 2018 Peaking Capacity RFP at 4 ("The maximum total capacity of Energy Storage or combined Renewable Energy + Energy Storage technologies that APS will procure under this RFP is 100 MW."); *id.* at 4 ("The maximum total amount of non-supply side capacity that APS will procure under this RFP is 100 MW."); *id.* at 9 ("A demand response program may not aggregate more than 25 MW of C&I customers.").

[24] Gavin Bade, *APS: Controversial RFP Does Not Violate Arizona Gas Moratorium*, Utility Dive, May 17, 2018, https://www.utilitydive.com/news/apscontroversiaI-rfpdoesnotviolatearizonagas moratorium/523759.

[25] *See* Sierra Club APS RFP Comments at 6 (Commission should view APS's claim that RFP falls outside moratorium "with healthy skepticism"); Ceres BICEP Comments on APS 2018 Peaking Capacity Request for Proposal at 2–3, Dkt. No. E-00000V-15-0094, Jun. 7, 2018 ("We encourage the Commission to enforce the moratorium and review natural gas procurements resulting from this RFP to safeguard gird reliability, and protect Arizona businesses and ratepayers from unnecessary capital improvements and potential future stranded assets.").

[26] *See supra* notes 2–3 and accompanying text.

energy, battery storage, and demand-side resources."[27] As Southwest Energy Efficiency Project cautioned, APS's selected portfolio would increase significantly APS's revenue requirement, and this increase would be driven primarily by the addition of new gas resources.[28] TEP's resource plan is similarly flawed. TEP's "high solar case plan" unjustifiably rules out cost-effective solar energy by failing to consider reasonable and well-established options such as procuring wind from diverse regions, installing tracking solar, or coupling solar with demand-response.[29] TEP's analysis of energy efficiency also unreasonably favors gas, as it accounts for all the costs of energy efficiency but does not account for all of the benefits.[30]

APS's April 2018 RFP demonstrates that the utilities' rush to over build gas infrastructure is not limited to situations in which a utility builds or buys a new gas plant. Rather, this problem extends to situations in which a utility seeks to procure such resources through other means. To prevent the utilities from thwarting the gas moratorium, the Commission should clarify that the moratorium prohibits any gas procurement, including the procurement of gas resources through power purchase agreements, as Southwest Energy Efficiency Project, Western Grid Group, and Western Resource Advocates also recommended.[31]

IV. AN EXTENSION OF THE GAS MORATORIUM WILL HELP POSITION ARIZONA AS A CLEAN ENERGY LEADER.

Arizona has a wealth of renewable energy resources.[32] Among the U.S. states, Arizona's solar energy potential is second only to that of Nevada.[33] Yet, in 2017, solar energy made up only about 6 percent of Arizona's net electricity generation.[34] In 2016, the total installed solar PV capacity in California, a state with less abundant solar resources than Arizona, exceeded

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[27] Sierra Club APS IRP Comments at 2.
[28] SWEEP Comments on the APS 2017 Integrated Resource Plan at 1, 5–7, Dkt. No. E-00000V-15-0094, Oct. 16, 2017.
[29] Sierra Club TEP IRP Comments at 4, 8–10.
[30] *Id.* at 4–5, 10–12; Sierra Club Comments in Support of the Joint Stakeholder Alternative Portfolios at 3–4, Dkt. No. E-00000V-15-0094, Mar. 12, 2018 [hereinafter "Sierra Club Alternative Portfolio Comments"]; SWEEP Comments on the TEP 2017 Integrated Resource Plan at 1, 5–7, Dkt. No. E-00000V-15-0094, Oct. 26, 2017.
[31] Suppl. Comments of Southwest Energy Efficiency Project, Western Resource Advocates and Western Grid Group Supporting Reinstatement and Clarification of the Moratorium on Gas Energy Procurement, Dkt. No. E-00000V-15-0094, Feb. 1, 2019.
[32] EIA Arizona Energy Profile, *supra* note 14 (Arizona has "abundant renewable energy resources, primarily solar").
[33] *Id.*
[34] *Id.*

Arizona's installed capacity by more than 6 times.[35] Arizona also has lagged behind North Carolina in installed solar PV capacity,[36] a state that ranks twelfth in the nation for solar power potential.[37]

As numerous stakeholders have demonstrated, the development of renewable energy resources is highly cost-effective. The Southwest has recently seen renewable costs below $40/MWh.[38] Cost-effective energy efficiency measures also have proven and substantial long-term benefits, which the utilities improperly discounted in their 2015-2016 IRPs.[39] According to a 2018 report by the Rocky Mountain Institute, "[r]enewable energy, including wind and solar, and distributed energy resources, including batteries, have fallen precipitously in price in the last 10 years."[40] Used together, such resources could save utilities and ratepayers significant sums. As a coalition of sixteen stakeholders demonstrated, for example, APS could replace a substantial fraction of its planned gas infrastructure with renewable energy, energy storage, energy efficiency, and demand-side management—for less than the cost of the APS's planned gas resources.[41] The costs of these clean energy resources will decline, as will the costs of battery storage, contrary to the utilities' misguided assumptions.[42]

Moreover, the deployment of clean energy resources will have broad economic benefits, including job creation. In 2016, solar jobs accounted for 43 percent of workers in the U.S. electric power generation sector,[43] even though solar energy constituted less than 1 percent of the

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[35] U.S. Dep't of Energy, 2016 Renewable Energy Data Book 67 (Dec. 2017), https://www.nrel.gov/docs/fy18osti/70231.pdf (In 2016, California had 17,084 MW of PV capacity; Arizona had 2,700 MW).

[36] *Id.*

[37] Nebraska Energy Office, *Comparison of Solar Power Potential by State* (Mar. 11, 2010), http://www.neo.ne.gov/statshtml/201.htm (comparing solar potential of U.S. states based on data from National Renewable Energy Laboratory).

[38] Sierra Club Alternative Portfolio Comments at 2 (citing Lazard, *Levelized Cost of Energy Analysis 10.0* (Dec. 15, 2016), https://www.lazard.com/perspective/levelized-cost-of-energy-analysis-100/); *see also* Joint Stakeholder Comments on the Integrated Resource Plans of Arizona Public Service Company (APS) & Tucson Electric Power (TEP): Alternative Portfolios at 15, Feb. 2, 2018 [hereinafter "Joint Stakeholder Alternative Portfolio Comments"].

[39] Sierra Club Alternative Portfolio Comments at 2–3.

[40] Mark Dyson et al., *Executive Summary* to The Economics of Clean Energy Portfolios 6 (May 2018), https://rmi.org/insight/the-economics-of-clean-energy-portfolios/ [hereinafter "RMI Clean Energy Portfolios Report"].

[41] Joint Stakeholder Alternative Portfolio Comments at 4, 21–23, 35.

[42] Sierra Club Alternative Portfolio Comments at 2–4.

[43] U.S. Dep't of Energy, U.S. Energy and Employment Report 28 (Jan. 2017), https://www.energy.gov/sites/prod/files/2017/01/f34/2017%20US%20Energy%20and%20Jobs%20Report_0.pdf ("Solar technologies, both photovoltaic and concentrating, employ almost 374,000 workers, or 43 percent of the Electric Power Generation workforce.").

overall U.S. generation mix.[44] Developing clean energy resources, rather than gas, to satisfy well-justified resource needs would save ratepayers money, allow Arizona to reap significant economic benefits, and avoid the risk of locking Arizona into an unsustainable and costly energy future.

The Commission's skepticism of the utilities' reliance on gas and the Commission's concern that new gas resources may quickly be abandoned is well-founded. The 2018 Rocky Mountain Institute report concluded that new gas infrastructure soon would become more expensive to operate than the cost of building new renewable energy resources. "Together," the report explained, "these [renewable energy] technologies can be combined into 'clean energy portfolios' of resources that can provide the same services as power plants, often at net cost savings."[45] Such "[l]ow-cost clean energy portfolios threaten to strand investments in natural gas-fired power plants," just as such resources have contributed to the early retirement of coal-burning power plants.[46] Regulators, the report advised, "should carefully reexamine planned natural gas infrastructure investment": "there is a significant opportunity to redirect capital from uneconomic, risky investment in new gas toward clean energy portfolio resources, at a net cost savings."[47]

Sierra Club applauds the Commission's ongoing efforts to modernize Arizona's energy plan to take advantage of such clean energy resources. Although the Commission and stakeholders have made progress, there is still much work to be done. As noted, for example, the Commission and stakeholders have yet to consider fully a revision to the renewable energy standard or to address fully energy efficiency requirements after 2020.

Left unchecked, the development of new gas generation in Arizona threatens to obstruct the state's progress toward a sustainable energy future and to leave Arizona ratepayers covering the costs of infrastructure that soon may be abandoned.[48] To mitigate the risks of new, uneconomic gas plants and to ensure that consumers can take advantage of less expensive and more sustainable resources, the Commission should extend the gas moratorium until at least April 1, 2020. This pause will allow the Commission to set clear guidelines for the utilities and to determine whether the utilities' 2019-2020 resource plans are in the public interest. Stemming the rush to gas until these critical guideposts are in place will yield substantial economic and

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[44] U.S. Energy Info. Admin., *State Historical Tables for 2017* (Sep. 2018) https://www.eia.gov/electricity/data.php (In 2016, the U.S. generated 4,076,674,984 MWh of electricity; of this amount, solar thermal and photovoltaics made up 36,054,121 MWh, about 0.88 percent.).
[45] RMI Clean Energy Portfolios Report, *supra* note 40, at 6.
[46] *Id.* at 8 ("In other words, the same technological innovations and price declines in renewable energy that have already contributed to early coal-plant retirement are now threatening to strand investments in natural gas.").
[47] *Id.* at 9.
[48] March 13, 2018 Open Meeting at 4:31–4:32 (Comm'r Burns), 5:11–5:13 (Comm'r Tobin).

environmental benefits, and will allow Arizona to position itself as a leader in the clean energy economy.

V. CONCLUSION

In short, Sierra Club supports the extension of the moratorium on the procurement of gas generation and recommends that the Commission extend the moratorium until at least April 1, 2020. Sierra Club further recommends that the Commission clarify that the moratorium prohibits the procurement of any gas infrastructure, including gas resources obtained through power purchase agreements. Such an extension and such clarification will help protect Arizona ratepayers from costly and imprudent capital expenditures and will help set Arizona on a path to be a clean energy leader.

Dated: February 4, 2019

Respectfully submitted,

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ORIGINAL and 13 copies filed
this 4th day of February, 2019 with:
Docket Control
Arizona Corporation Commission
1200 W Washington Street
Phoenix, AZ 85007